

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 3087 – HB 3135

March 15, 2010

SUMMARY OF AMENDMENT (014806): Deletes all language after the enacting clause and requires the Bureau of TennCare to maintain a Web page that identifies the individual managed care organizations (MCOs) having authorization to pursue subrogation interest and the appropriate manner, method, and form for contacting the MCOs. The Web page must be updated bi-annually. Requires the notice by the plaintiff's attorney to include the full name of the plaintiff's client, the client's date of birth, the client's social security number, the client's TennCare or MCO identification number, and the date the client's claim arose. Requires entities with a subrogation interest to respond in writing within 60 days of receipt of the notice with the amount of subrogation interest or requesting additional time up to 120 days to determine the amount of subrogation interest. The subrogation will be extinguished and disbursements may be made without recourse upon the plaintiff or the plaintiff's attorney if an amount is not received.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue – Exceeds \$342,200
Increase State Expenditures - \$68,400

Decrease Federal Revenue – Exceeds \$657,800
Increase Federal Expenditures - \$68,400

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Not Significant

Increase Federal Expenditures – Not Significant

Assumptions applied to amendment:

- According to the Bureau of TennCare, the provisions of the bill as amended will not result in a significant change to the ability of the program or the MCOs to pursue subrogation interest and third party liability claims.

- Creation of the Web page can be developed in house and will not result in a significant increase in expenditures. Any cost can be accommodated within existing resources without an increased appropriation.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

/kml